

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENMTAL ORDER REGARDING  
DOCKET NUMBER VGOB-90-10/10-0031-01

ELECTIONS: UNIT Y-9 & Y-9B  
(herein "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously identified in the captioned matter on April 15, 1998 which was recorded at Deed Book 475, Page 259 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on April 29, 1998, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CONSOL, Inc. (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order.

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order.

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (I) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant.

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identified the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any,

requiring escrow under the Virginia Code Section 45.1-361.21.D; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates that the escrow of funds is required with regard to Unit Y-9 and Y-9B.

Order:

By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Virginia Bank-Mountain Empire, c/o Trust Department, P. O. Box 1038, Abingdon, Virginia 24212, or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefor.

Mailing of Order and Filing of Affidavit:

The Designated Operator under the captioned Order shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

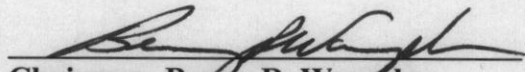
Conclusion:

Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 28<sup>th</sup> day of August, 1998, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA  
COUNTY OF WISE



Acknowledged on this 28<sup>th</sup> day of August, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of The Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett  
Susan G. Garrett, Notary

My commission expires 7/31/2002

DONE AND PERFORMED this 2<sup>nd</sup> day of September, 1998  
by Order of the Board.

Byron Thomas Fulmer  
Byron Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

Acknowledged on this 2<sup>nd</sup> day of September, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sword did depose and say that he is Principal Executive to the Staff, Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis, Notary

My commission expires 9/30/2001

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Buchanan Production Company for Forced Pooling of Interests in CBM Unit Y-9 & Y-9B VGOB-90-1010-0031-01 in the Prater District of Buchanan County, Virginia

AFFIDAVIT OF CONSOL, INC. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by CONSOL Inc., the designated operator, as a Permit Specialist and is duly authorized to make this affidavit on its behalf;

That the Order entered on April 15, 1998, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the county identified above; that said Order was recorded on April 29, 1998;

That the designated operator CONSOL Inc. has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None.

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of April 7, 1994.

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E.



That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

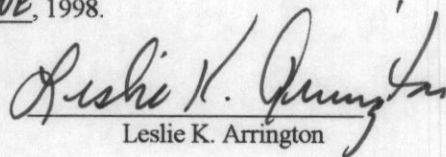
None.

that to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are not subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

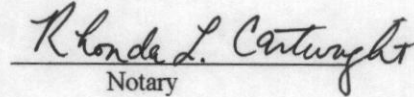
None.

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Tazewell, Virginia, this 16<sup>th</sup> day of JUNE, 1998.

  
Leslie K. Arrington

Taken, subscribed and sworn to before me by Leslie K. Arrington as Permit Specialist of CONSOL Inc., on behalf of the corporate Designated Operator, this 16th day of June, 1998.

  
Notary

My commission expires: 10/31/01.

LATITUDE: 37° 10' 00"

BEARING BASIS:  
VIRGINIA STATE PLANE - SOUTH ZONE - NAD'27  
ELEVATIONS:  
BY TRIG. LEVELS FROM CONSOL INC BM'S

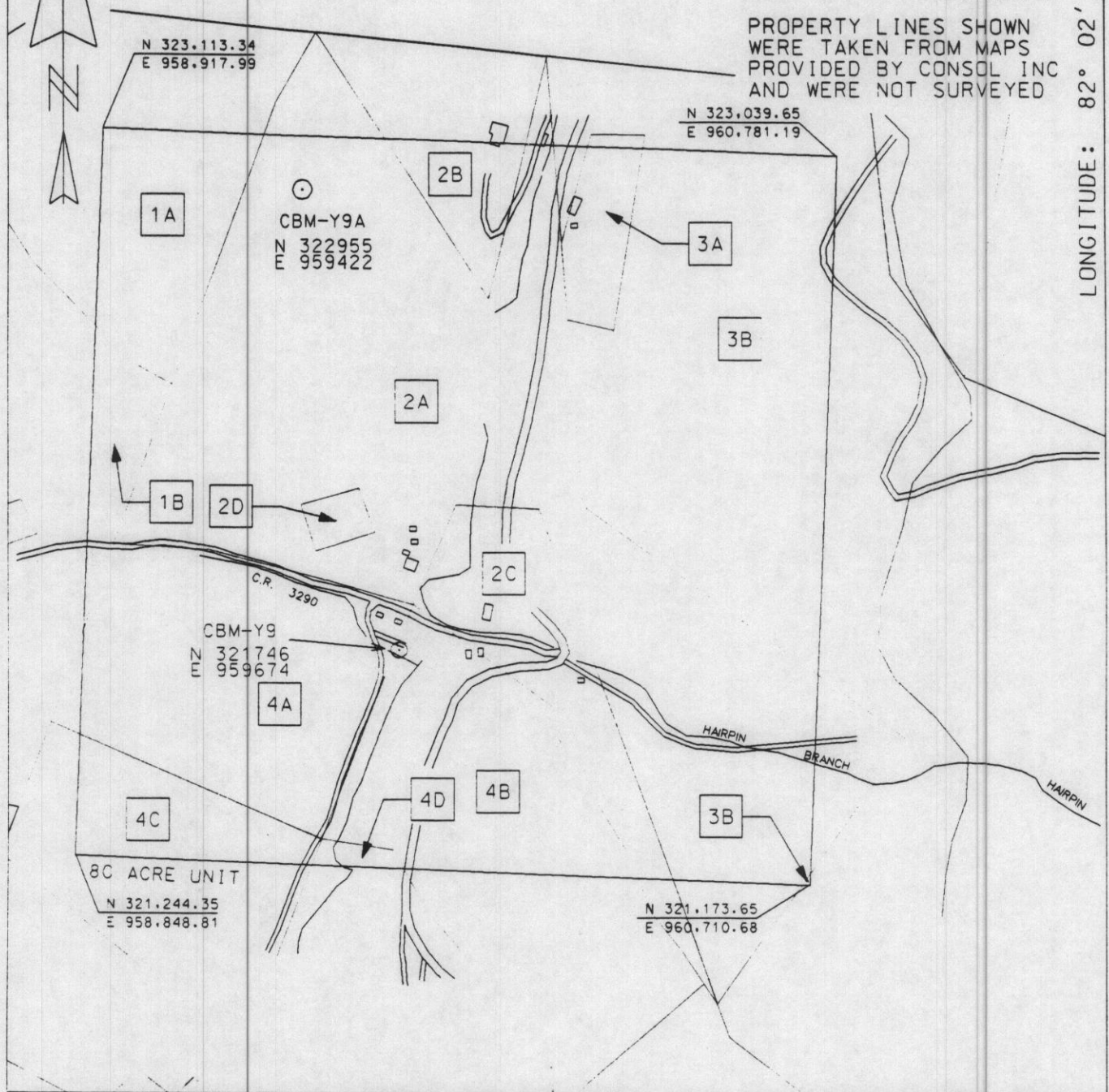
P/L'S

○ MINERAL  
● SURFACE

PROPERTY LINES SHOWN  
WERE TAKEN FROM MAPS  
PROVIDED BY CONSOL INC  
AND WERE NOT SURVEYED

LONGITUDE: 82° 02' 30"

80'



# EXHIBIT A

## VG0B-90-1010-0031-01

Company CONSOL INC Well Name and Number UM-Y9  
 Tract No. BIG AXE 25 Elevation 1953.31' Quadrangle VANSANT  
 County BUCHANAN District PRATER Scale: 1" = 400 feet  
 This Plat is a new plat X; an updated plat       ; or a final location plat         
 + Denotes the location of a well on United States Topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

*Handwritten Signature*  
 Licensed Professional Engineer or Licensed Land Surveyor



**BUCHANAN PRODUCTION COMPANY**  
**Oakwood Field Unit Y-9**  
**Tract Identification**

1. Big Axe Land Company - Tr. 15 - Coal, Oil & Gas  
Coal Lessees  
Permac, Inc.  
Island Creek Coal Company  
Buchanan Production Company - CBM Lessee  
Buchanan Production Company - Oil & Gas Lessee  
2.10 acres                      2.6250%
- 1A. Ronald & Teresa Brents - Surface  
1B. Arnold Cook - Surface
- 2A&C Big Axe Land Company - Tr. 23 - Coal  
Coal Lessees  
Permac, Inc.  
Island Creek Coal Company  
Buchanan Production Company - CBM Lessee  
Buchanan Production Company - Oil & Gas Lessee  
Edd Boyd, Et al - Surface, Oil & Gas  
38.14 acres                      47.6750%
- 2B. Big Axe Land Company - Tr. 23 - Coal  
Coal Lessees  
Permac, Inc.  
Island Creek Coal Company  
Buchanan Production Company - CBM Lessee  
Buchanan Production Company - Oil & Gas Lessee  
Clayton Perkins, Et al - Surface, Oil & Gas  
1.73 acres                      2.1625%
- 2D. Big Axe Land Company - Tr. 23 - Coal  
Coal Lessees  
Permac, Inc.  
Island Creek Coal Company  
Buchanan Production Company - CBM Lessee  
Buchanan Production Company - Oil & Gas Lessee  
Manervy Osborn, Heirs (1/2 acre Cenetery) - Surface, Oil & Gas  
0.50 acres                      0.6250%
3. Big Axe Land Company - Tr. 28 - Coal, Oil & Gas  
Coal Lessees  
Permac, Inc.  
Island Creek Coal Company  
Buchanan Production Company - CBM Lessee  
Buchanan Production Company - Oil & Gas Lessee  
20.86 acres                      26.0750%
- 3A. Kathleen Smith - Surface  
3B. Lois P. Bowie & Robert S. Powers - Surface

**BUCHANAN PRODUCTION COMPANY**  
**Oakwood Field Unit Y-9**  
**Tract Identification**

4. Big Axe Land Company - Tr. 17 - Coal, Oil & Gas  
Coal Lessees  
Permac, Inc.  
Island Creek Coal Company  
Buchanan Production Company - CBM Lessee  
Buchanan Production Company - Oil & Gas Lessee  
16.67 acres 20.8375%
- 4A. Dreama Melton - Surface  
4B. Eva Singleton - Surface  
4C. Virgie Osborne - Surface  
4D. Howell Arms - Surface



## Exhibit B-3

Oakwood Field Unit Y-9

VGOB-90-1010-0031-01

## List of Unleased Owners/Claimants

		Division of Interest in				
		Net Acres in Unit	Interest in Unit	6-West 7.3916%	7-West 11.5922%	Election
<b>I. <u>OIL &amp; GAS FEE OWNERSHIP</u></b>						
<b><u>TRACT #2D - 0.50 acres</u></b>						
(1)	Manervy Osbourn Heirs, Devisees Successors or Assigns Address unknown	0.50 acres	0.6250%	0.0462%	0.0725%	Deemed Leased

Oakwood Field Unit Y-9  
VGOB-90-1010-0031-01

List of Conflicting Owners/Claimants that require pooling

	Net Acres in Unit	Interest in Unit	Division of Interest in 6-West 7.3916%	7-West 11.5922%
<b><u>TRACT #2 A &amp; C - 38.14 acres</u></b>				
<b><u>COAL FEE OWNERSHIP</u></b>				
(1) Big Axe Land Company (Tract 23) c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	38.14 acres	47.6750%	3.5239%	5.5266%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>				
<b><u>TRACT #2 A &amp; C - 38.14 acres</u></b>				
(1) Martin Edd Boyd et al.	38.14 acres	47.6750%	3.5239%	5.5266%
(a) Edd Boyd Rt. 1, Box 109 Vansant, VA 24656	26.698 acres 7/10 of 38.14 acres	33.3725%	2.4668%	3.8686%
(b) Clayton Perkins Rt. 1, Box 104 Vansant, VA 24656	3.814 acres 1/10 of 38.14 acres	4.7675%	0.3524%	0.5527%
(c) Eva Singleton 103 Highland Avenue Bluefield, VA 24605	7.628 acres 1/5 of 38.14 acres	9.5350%	0.7048%	1.1053%
<b><u>TRACT #2B - 1.73 acres</u></b>				
<b><u>COAL FEE OWNERSHIP</u></b>				
(1) Big Axe Land Company (Tract 23) c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	1.73 acres	2.1625%	0.1598%	0.2507%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>				
(1) Clayton Perkins et al.	1.73 acres	2.1625%	0.1598%	0.2507%
(a) Clayton Perkins Rt. 1, Box 104 Clayton Perkins	1.384 acres 4/5 of 1.73 acres	1.7300%	0.1279%	0.2005%
(b) Eva Singleton 103 Highland Avenue Bluefield, VA 24605	0.346 acres 1/5 of 38.14 acres	0.4325%	0.0320%	0.0501%
<b><u>TRACT #2D - 0.50 acres</u></b>				
<b><u>COAL FEE OWNERSHIP</u></b>				
(1) Big Axe Land Company (Tract 23) c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	0.50 acres	0.6250%	0.0462%	0.0725%



Exhibit E

Oakwood Field Unit Y-9

VGOB-90-1010-0031-01

List of Conflicting Owners/Claimants that require pooling

	Net Acres in Unit	Interest in Unit	Division of Interest in	
			6-West 7.3916%	7-West 11.5922%

OIL & GAS FEE OWNERSHIP

TRACT #2D - 0.50 acres

(1) Manervy Osbourn Heirs, Devisees Successors or Assigns Address unknown	0.50 acres	0.6250%	0.0462%	0.0725%
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VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 2nd day of September, 1998 3:35 P M.  
Deed Book No. 481 and Page No. 106 TESTE: James M. Bevens, Jr., Clerk  
Returned this date to: DMH TESTE: Jewell S. Allen Deputy Clerk

1512

CLERK'S OFFICE CIRCUIT COURT  
BUCHANAN COUNTY, VIRGINIA

Filed and admitted to record, 11:58 day of Aug. 1993 M.

this at 11:58 day of Aug. 1993 M.  
Recorded Used Book \_\_\_\_\_ Page \_\_\_\_\_  
039 State Tax \_\_\_\_\_  
213 County Tax \_\_\_\_\_  
212 Transfer 14.00  
301 Recording \_\_\_\_\_  
038 State Tax \_\_\_\_\_  
220 Local Tax \_\_\_\_\_  
145 VSLF 1.00  
Total 1.50

Teste James M. Bevins, Jr., Clerk  
By \_\_\_\_\_ D.C.